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4-4577

June 1961

MEMORANDUM FOR: Deputy Director (Plans)

SUBJECT: Implementation of Joint Study Group  
Recommendation No. 32

1. Receipt is acknowledged of your memorandum of 22 May 1961 pertaining to the Implementation of Joint Study Group Recommendation No. 32.

2. The Director has assigned responsibility for consolidation of the Central Intelligence Agency's contributions to the Deputy Director (Support).

3. The United States Intelligence Board (USIB) by its action on USIB-D-1 5/7, 27 April 1961, limited the immediate work to what seemed could be reasonably accomplished before the commencement of the next budget cycle. They recognized that a start should be made now toward more comprehensive refinements of the problem for succeeding years. It was further noted that the pending reorganization of intelligence within the Department of Defense might well contribute to the simplification of many of the major problems within the intelligence community regarding future intelligence programs and budgets.

**SIGNED**

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[Redacted Signature]  
Assistant for Coordination

AC/DCI [Redacted] rad

Distribution:

Orig & 1 - Addressee  
1 - DDCI  
1 - AC/DCI Staff  
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1 - Chief, FI  
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22 MAY 1961

61-4505  
Executive Director

MEMORANDUM FOR: Assistant for Coordination, DCI

VIA : Deputy Director of Central Intelligence

SUBJECT : Implementation of Joint Study Group Recommendation No. 32

REFERENCES : A. USIB-D-1. 5/7 and attachment } *attached*  
B. USIB-M-154 dated 9 May 1961 }

1. I note that the USIB members have agreed that they should attempt to supply as complete data as they can under the circumstances with respect to the narrative information called for by attachments "C" and "D" to Reference "A". With respect to the DD/P contribution to the overall CIA portion of this report, the following comments are for purposes of clarification:

a. It is my understanding that the report, insofar as DD/P is concerned, covers only our plans and programs for clandestine foreign intelligence (FI) and counterintelligence (CI) activities and does not in any way concern itself with covert action programs.

b. The DD/P contribution to the report will be based upon material currently available in our normal programming documents and related material. From such material I believe that we can develop a good order of magnitude estimate of the general nature and direction of our FI and CI efforts in FY-1963. However, we cannot, in the time available, make a detailed break-out of each of the line items shown on attachments "A" and "B" in terms of their application to FI on the one hand and CI on the other. In fact, the proposal to divide all collection, production and support activities into two broad categories of Foreign Intelligence and Counterintelligence is most unusual and I do not see what practical purpose it is designed to serve. In my judgement, counterintelligence, as you define it, includes all of the three basic types of activity covered in Sections I, II, and III of attachment "A", i.e.: it includes the collection of information, the production of counterintelligence data as a finished intelligence product, and it provides support to most of the other activities in the form of security protection.

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2. I assume that you plan to designate someone on your staff to coordinate the efforts of the various CIA elements that will of necessity be involved in this exercise. In view of the complexity of the job to be done and the short time available to do it, I urge that your designated coordinator call an early meeting so that appropriate representatives of the DD/P, DD/I, and DD/S may raise and have clarified any questions they may have with respect to this program. For example, both attachments "C" and "D" appear to call for some type of "geographic area" breakdown with respect to variations between the FY-63 and the FY-62 programs (Section 2.) but do not call for such breakdown for the narrative covering the objectives, description and appraisal of the FY-63 program (Section 1.).

3. In addition, I have the following general observations with respect to the implementation of JSG recommendation No. 32:

a. In reading the minutes of the USIB meeting at which reference "A" was discussed, I was struck by the fact that considerable stress was made of the Bureau of the Budget's interest in this matter rather than on what appears to me to be the primary purpose of this program - to provide the DCI and the USIB with the type of data they must have in order to carry out the managerial responsibilities assigned to them in the NSCIDs. In this connection, I note that the Joint Study Group makes the following statement in its report, "We are convinced that the DCI and the USIB together have a combination of assigned authorities and responsibilities which enable and require them to exercise a stronger role in improving the management of the foreign intelligence activities of the member agencies of the intelligence community."

b. Reference "A" indicates that the purpose of the report is to enable the USIB to review the future plans and programs of each member agency of the intelligence community for consistency and proper allocation of effort. This raises two basic questions: first, with what are these plans and programs to be consistent?; and second, what criterion will be used in determining the properness of the allocations of effort contained in them?

c. If DD/P planning and programming is to be subject to a review and an exercise of judgement by the USIB, and the Coordination Staff, as to whether or not we have "properly" allocated the resources under our control, I have a very real need to know the criterion against which our planning and programming efforts are to be judged. I feel sure that my opposite numbers in the intelligence community would have a similar interest in this matter.


d. I assume that the review called for by this program is directed at the sum-total of the community's efforts in any given intelligence activity and not at the separate efforts of each member agency by itself. If my assumption is correct, then comparability of the data submitted in the report is essential to the achievement of the type of review called for in this program. In this connection, it is my understanding that despite several years of effort we have as yet failed to achieve a sufficient degree of comparability in our cost estimates data to make that report an effective management tool for use by the USIB.

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e. The long-range interests of the DCI and the USIB in this matter will not be well served by this attempt to rush the program into full implementation on the time schedule called for. I have the impression that this urge to hastily improvise a full scale management program on a crash basis stems primarily, if not solely, from the Bureau of the Budget. The intelligence community is [ ] enterprise involving the varied efforts of [ ] you cannot, in my judgement, develop and put into being a solid management program for any business of this size and complexity in a few weeks time. Furthermore, the Bureau of the Budget has already started its own review of future governmental plans and programs for the period FY-1963 through FY-1966 and are currently initiating a program of direct interviews with the departments and agencies of the government, including this Agency. It would seem to me that this unilateral BOB exercise would give them as good, if not better, information than the intelligence community could produce on a crash basis and therefore, the USIB should be able to consider the implementation of Recommendation No. 32 purely from the standpoint of the community's own interests in achieving a carefully developed and soundly based management program.

f. The initiation of this management program is an important step forward in the development of a more effective intelligence community, but, like any important and complicated program it should first pass through the development phase. To this end, I believe that the Coordination Staff, in consultation with and supported by the member agencies of the community, should devote a major portion of their time in FY-1962 to a study of this problem in depth and in all its complicated aspects. Your mission should be to develop for USIB consideration, six months from now, a detailed program for the development of that type of comparable information, in both narrative and data form, that will provide the DCI and the USIB with a solid base of hard facts and sound estimates from which practical managerial recommendations can be made.

g. Finally, I suggest that the Coordination Staff use the FY-1960 cost estimates data as a test vehicle for the development of the criterion against which plans and programs will be reviewed for consistency and proper allocation of effort. The exercise I propose is a type of post mortem review to determine whether or not the programs carried out in FY-1960 were "consistent" and if the community's allocations of effort in that year were "proper". After all, there is some merit in having a clear picture of where you have been before trying to guess where you are going.

  
RICHARD M. BISSELL, JR. ✓  
Deputy Director  
(Plans)

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cc: DDCI

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Approved For Release 2003/09/29 : CIA-RDP86B00200R000200060075-1

SUBJECT: (Optional)

FROM:

Deputy Director (Plans)

NO.

DATE

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.	DDCI	<i>WE</i>	<i>1/22</i>	<i>9/24</i>	<i>CR</i>
2.					
3.	AC/DCI		<i>9/2</i>	<i>(B)</i>	
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GENERAL CABELL:

We have passed a copy of this memo on to

Copies of the referenced USIB papers are attached hereto.

K-

*Wolfe*

*CP*  
*(5/24/61)*

*Ⓢ* *Pb. return to MS 1B/S*  
*when*  *has noted.*

~~*[Signature]*~~